



## THE COLONIES AND THE CORN TAX.

*To the Editor of the*

SIR,

Will you permit me through your columns to make an appeal to free traders, without distinction of party, to support the Cobden Club in resisting the proposed corn tax?

That the tax is not required for revenue purposes is patent. In the current year, without any addition to last year's taxes, it is estimated by the Chancellor of the Exchequer that there will be a surplus over ordinary expenditure of no less than £23,000,000. This is a larger sum than has been contributed to the cost of the war out of revenue in any previous year. If additional revenue had been required it could have been raised by increasing the present taxation of beer and tobacco.

The present tax on beer is 7s. 9d. a barrel (or about 2½d. a gallon). For many years during the past century the tax was approximately 19s. 6d. a barrel. The consumption of beer in the United Kingdom has increased in the past fifteen years from 27,000,000 barrels to 36,000,000 barrels. The yield of the Beer Tax for the year ending March 31st, 1901, was just under £14,000,000.

The present tax on unmanufactured tobacco is 3s. a pound. It was 3s. 2d. a pound shortly before the war began. The consumption of tobacco within the Kingdom has increased in the past fifteen years from 52,000,000 lbs. to 80,000,000 lbs. The yield of the tobacco tax for the year ending March 31st, 1901, was just under £13,000,000.

In the face of these figures it is incredible that the Chancellor of the Exchequer, in order to obtain the small sum of £2,600,000, should have turned aside from these increasingly popular luxuries, and placed a tax on the sheer necessities of daily existence, unless he had some ulterior motive, which it was not convenient at the time to disclose. What that motive was Mr. Chamberlain has now told the country.

The corn tax has been imposed in order to prepare the way for an Imperial Preferential Tariff; or, in simpler language, the food of the people of England, Scotland and Ireland is to be taxed in order to increase the profits of Canadian corn growers.

Incidentally the effect of the tax is to protect one of our home industries, namely, corn growing, at the expense of all our other home industries, but apparently this incidental evil was not foreseen by the Ministers who proposed the tax. Their only object was to prepare the way for protecting colonial industries at the expense of the industries of the Mother Country.

The whole idea underlying this scheme is false. Mutual trading is in no way essential to friendship, and nothing is more certain to destroy friendship than an attempt to compel mutual trading in defiance of pecuniary interest.

Nor is there any reason to connect the question of Imperial Defence with the question of preferential tariffs. There is no preferential tariff between London and Edinburgh, yet each city, according to its means, contributes equally to the defence of the common Empire. If the colonies are ready to bear their share of the common burdens, it is for them to come forward and say so. It is not for us to do injustice to ourselves in order to bribe them to do what is just.

At present Canada contributes to the cost of the Imperial Navy not one penny. Australasia contributes a small sum which does not even cover the cost of the special squadron locked up in Australasian waters for purely local defence. On the basis of population, Australasia and Canada should together contribute to the cost of the Navy not less than £6,000,000 a year.

But whatever view the colonies may take of their pecuniary obligations to the Mother Country, it would be a fatal blunder on the part of England to weaken her position as a world power by abandoning the policy of the Open Door, or to diminish her economic strength by reverting to a system of taxation which plunders a dozen industries in order to add to the profits of one.

Instead, it is her duty to continue to urge upon her colonies that they will find prosperity, not by robbing Peter to pay Paul, or by limiting their own or England's trade, but by throwing open wide their harbours to the commerce of the world.

I therefore appeal to all who realize the importance of the issues involved to assist the Cobden Club in opposing the re-actionary proposals now before the country, on the double ground that they are fraught with injustice to the people of this Kingdom and with danger to the permanent strength and unity of the Empire.

This appeal is directed to the subjects of the King in all parts of the world, for I know that many of those who have crossed the seas have not forgotten their English sense of justice, and will reject with indignation an artificial advantage to themselves offered at the expense of the poorest of the poor in the Old Country.

Yours obediently,

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